REV - Yield Management

Purpose:

Health Management System (HMS) conducts commercial billing cycles monthly to recover funds from providers where Third Party liability (TPL) has been identified for Medicaid members with paid claims within the last three years, as mandated by the deficit reduction act. Through our commercial billings, we instruct the carrier to repay Medicaid claims when TPL is the primary insurance.

For the Iowa Medicaid Enterprise (IME), Health Management Systems (HMS) pursues recovery from insurance carriers, third party administrators, TRICARE, pharmacy benefit managers, and other sources of TPL. Our billings include all provider services such as physician, institutional, and pharmacy billings where Medicaid is the payor of last resort.

Identification of Roles:

IME – Each month Iowa sends to HMS three files: the provider file, eligibility file, and the paid claims file.

HMS – Identifies TPL for Medicaid member and matches paid claims for the given period of the TPL, billing the appropriate carrier.

Performance Standards:

Provide monthly reports of yield management collections to the Department by the 10th of each month for the previous month's activities. The information in the report shall include the total amount of Medicaid funds recovered.

Provide a quarterly report with summary information for the most recent quarter to the Department by the 10th of each month for the previous quarter's activities. The information in the quarterly report shall include the amount of Medicaid funds recovered in the previous quarter as well as the total year-to-date.

Path of Business Procedure:

HMS's Yield project is driven by the ability to bill commercial insurance sources using HIPAA-compliant Electronic Data Interface (EDI) standards and/or paper claims for services that the Department has paid, but for which the program is not

the financially liable party and the carrier has “soft-denied” the claim and/or doesn’t show receipt of the claim.

Step 1: The billings generated are for services that have satisfied a detailed list of denial edits.

Step 2: To eliminate duplicate billings, claims are held for 90 days after initial commercial billing to allow processing of payments and receipt of denials.

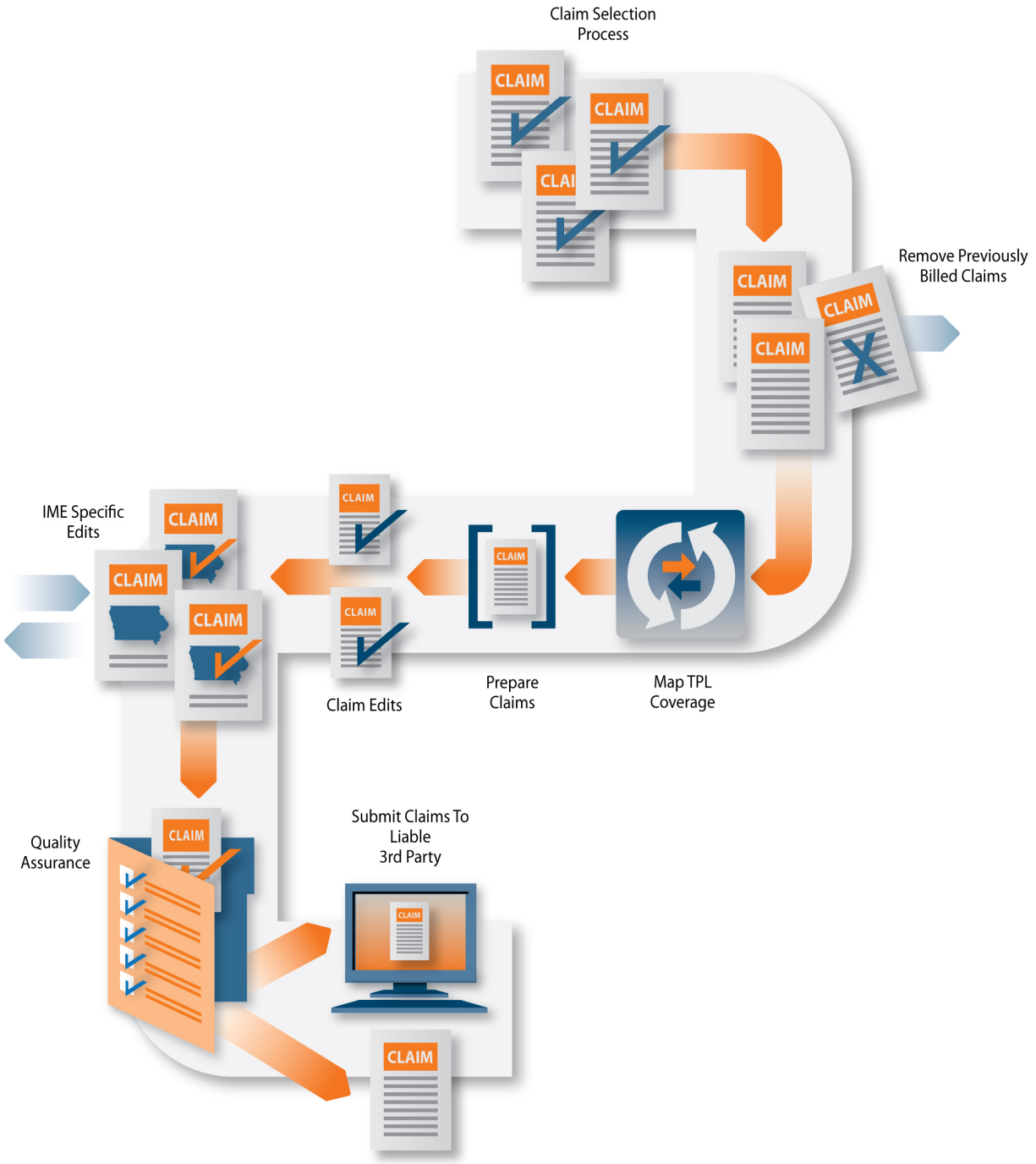
Step 3: Verify that insurance coverage is consistent with the Medicaid services the recipient received. For example, a catastrophic loss policy seldom covers a doctor’s office visit.

Step 4: Initiate direct billing and/or appeals to the commercial carrier using the Health Management Systems (HMS) Access Line software within the appropriate timeframe and for the correct amount to ensure accelerated repayment.

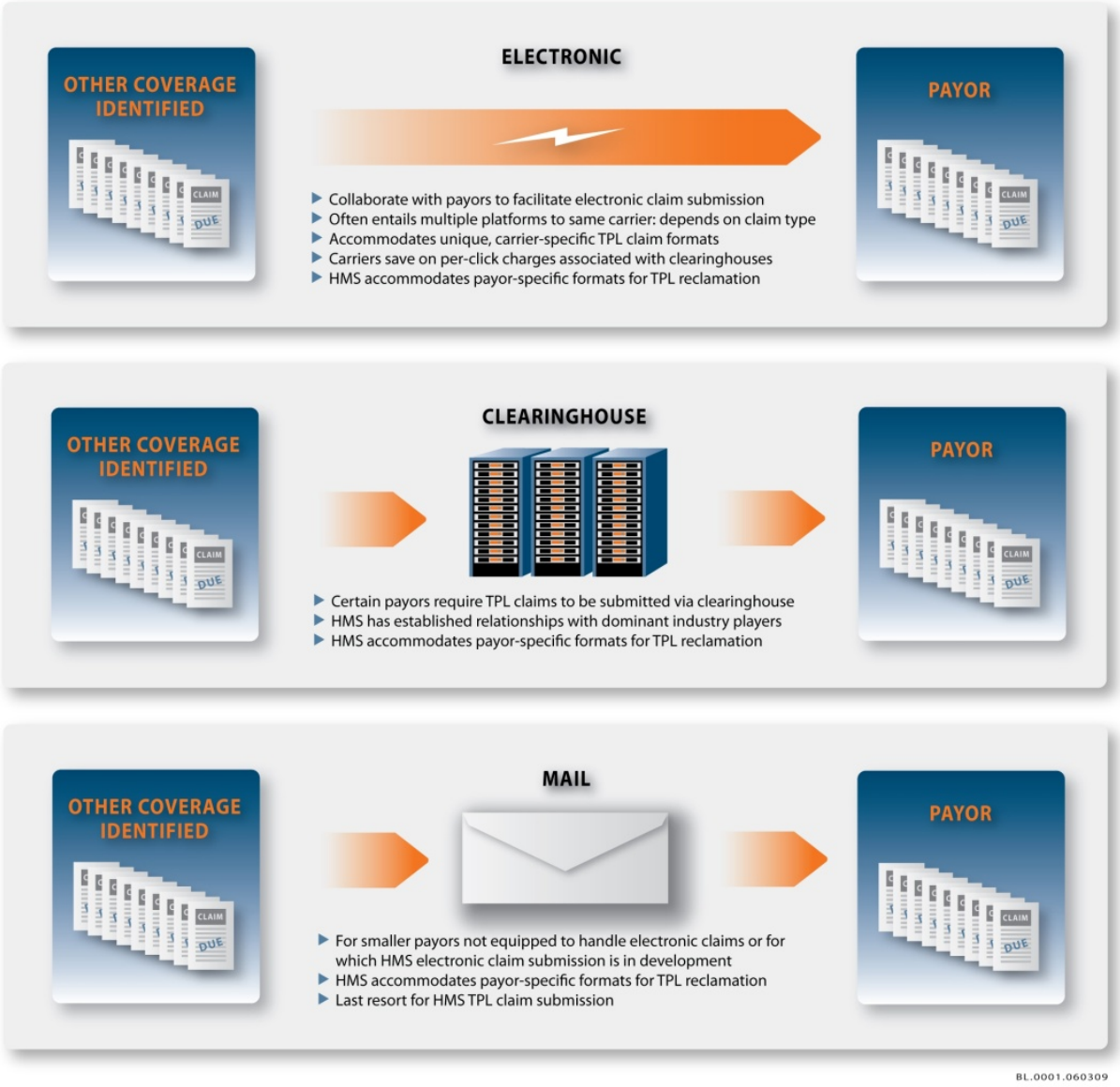
Step 5: Delivery of recoveries through recoupment files:

a) HMS delivers recoupment files in the format required by the MMIS. These files contain enough data for loading of third party liability (TPL) recoveries directly into the claim file of the MMIS.

Streamlined billing process flow



Third party billing approach flow



Carrier specific claim formats

Carrier / PBM	Claim Type	Layout
AETNA	INST	837I
AETNA	PROF	837P
AETNA Pharmacy Management	RX	NCPCP 2.0
AMERIHEALTH	INST	837I
AMERIHEALTH	PROF	837P
Anthem Blue Cross - California	PROF	837P
Anthem Blue Cross - Georgia	INST	837I
Anthem Blue Cross - Georgia	PROF	837P
Anthem Blue Cross - Indiana	PROF	837P
Anthem Blue Cross - Indiana	INST	837I
Anthem Blue Cross - Kentucky	INST	837I
Anthem Blue Cross - Kentucky	PROF	837P
Anthem Blue Cross - Kentucky	PROF	837P
Anthem Blue Cross - Missouri	PROF	NSF
Anthem Blue Cross - Missouri	PROF	837P
Anthem Blue Cross - Missouri	PROF	837i
Anthem Blue Cross – Ohio	INST	837I
Anthem Blue Cross – Ohio	PROF	837P
Anthem Blue Cross - Virginia	INST	837I
Anthem Blue Cross - Virginia	PROF	837P
ANTHEM Prescription Management	RX	NCPDP 2.0
Argus Health Systems	RX	NCPDP 5.1
Argus Health Systems, Medicare Part D	RX	NCPDP 5.1

Argus Health Systems, Blue Shield of California	RX	NCPDP 5.1
Arkansas Blue Cross and Blue Shield	INST	837I
Arkansas Blue Cross and Blue Shield	PROF	837P
Blue Cross and Blue Shield of Arizona	INST	837I
Blue Cross and Blue Shield of Arizona	PROF	837P
Blue Cross and Blue Shield of Louisiana	INST	837I
Blue Cross and Blue Shield of Louisiana	PROF	837P
Blue Cross and Blue Shield of North Carolina	INST	837I
Blue Cross and Blue Shield of North Carolina	PROF	837P
BCBS of Alabama	INST	837I
BCBS of Alabama	PROF	837P
BCBS of Alaska	INST	837I
BCBS of Alaska	PROF	837P
BCBS of Florida	INST	UB92
BCBS of Florida	PROF	NSF
BCBS of Florida	RX	NSF
BCBS of Florida	PROF	Proprietary
BCBS of Florida	INST	Proprietary
BCBS of Massachusetts	INST	837I
BCBS of Massachusetts	PROF	837P
BCBS of Tennessee	INST	837I
BCBS of Tennessee	PROF	837P
Blue Cross of Idaho	INST	837I
Blue Cross of Idaho	PROF	837P
Blue Cross of Northeastern Pennsylvania	INST	837I
Blue Cross of Northeastern Pennsylvania	PROF	837P
BCBS of Western NY	PROF	837p
Carefirst BCBS	INST	Proprietary

Carefirst BCBS	PROF	Proprietary
Catalyst	Rx	NCPDP 5.1
CDPHP	PROF	837P
CIGNA	INST	Proprietary
CIGNA	PROF	Proprietary
ConnectiCare	RX	NCPDP5.1
CVS Caremark (QL)	RX	NCPDP 5.1
CVS Caremark (Recap)	RX	Proprietary
CVS Caremark (RxClaim)	RX	NCPCP 2.0
CVS Caremark (RxClaim)	RX	NCPDP 5.1
CVS Caremark Medicare Part D (QL)	RX	NCPDP 5.1
CVS Caremark Medicare Part D (RXCLAIM)	RX	NCPDP 5.1
Envision RxOptions Medicare Part D	RX	NCPDP 5.1
Excellus BCBS	RX	NCPDP 5.1
Excellus BCBS	PROF	837P
Express Scripts – Commercial Insurance	RX	NCPDP 5.1
Express Scripts – TRICARE	RX	NCPDP 5.1
GHI MEDICARE PART D	RX	NCPDP 5.1
Great West	INST	Proprietary
Great West	PROF	Proprietary
HARVARD PILGRIM	PROF	837P
HCSC/BCBS of Oklahoma	INST	837I
HCSC/BCBS of Oklahoma	PROF	837P
HCSC/BCBS of Texas	INST	837I
HCSC/BCBS of Texas	PROF	837P
Health Insurance Plan of New York (HIP)	RX	NCPDP 5.1
Highmark	PROF	837P
Highmark	INST	837I

Humana	INST	Proprietary
Humana	PROF	Proprietary
Humana	INST	837I
Humana	PROF	837P
Independent Health	Rx	NCPDP 5.1
Medco	RX	NCPDP 5.1
MEDIMPACT	RX	NCPDP 5.1
MEMBERHEALTH Medicare Part D	RX	NCPDP 5.1
Mid Atlantic Medical Services (UHC)	INST	837I
Mid Atlantic Medical Services (UHC)	PROF	837P
Mutual of Omaha	INST	Proprietary
Mutual of Omaha	PROF	Proprietary
Office of Group Benefits Louisiana	INST	837I
Office of Group Benefits Louisiana	PROF	837P
Oxford	INST	837I
Oxford	PROF	837P
Pacificare	INST	837I
Pacificare	PROF	837P
Paramount	INST	837I
Paramount	PROF	837P
Pharmacare Medicare Part D	RX	NCPDP 5.1
Prescription Solutions	RX	NCPDP 5.1
Prescription Solutions Medicare Part D	RX	NCPDP 5.1
Prime Therapeutics	RX	NCPDP 5.1
Principal	INST	Proprietary
Principal	PROF	Proprietary
Provident	INST	Proprietary
Provident	PROF	Proprietary

Provident	RX	NCPDP 2.0
Qual Choice of Arkansas	INST	837I
Qual Choice of Arkansas	PROF	837P
RxAmerica Medicare Part D	RX	NCPDP 5.1
TRICARE	PROF	NSF
TRICARE	INST	UB92
TRICARE	INST	837I
United Health Care	INST	837I
United Health Care	PROF	837P
United Health Care Rx	RX	NCPDP 2.0
UPMC	INST	837I
UPMC	PROF	837P
Walgreens Commercial Insurance	RX	NCPDP 5.1
Walgreens Medicare Part D	RX	NCPDP 5.1
Wellmark BCBS of Iowa	INST	UB92
Wellmark BCBS of Iowa	PROF	837P
WELLPOINT NetRx	RX	Proprietary
WELLPOINT NetRx Medicare Part D	RX	NCPDP 5.1

Forms/Reports: N/A

RFP References: N/A

Interfaces: CORE

Attachments: Please see below

Sample commercial insurance billing letter

5615 High Point Drive, Suite 100

January 19, 2024~~October 28, 2016~~

Irving, TX 75038

Dear Sir/Madam:

Health Management Systems, Inc. (HMS) is under contract with the Iowa Department of Human Services (IDHS) to conduct Third Party Liability recovery efforts for the State Medicaid Agency. As part of this effort, we are writing to request your cooperation and assistance in adjudicating the enclosed claims, which were paid by Medicaid but for which your plan is responsible.

As you may know, Medicaid is the payor of last resort, by Federal statute (42 U.S.C. 1396a(a)(25) and 42 C.F.R. §§ 433.135 – 433.139 (2005) (Subpart D – Third Party Liability). Therefore, state Medicaid programs are required to recover any payments made on claims for which commercial or other health insurance is identified.

HMS is submitting one or more of the following claim types for processing:

Institutional (printed on a standard UB92 Form)
Non-Institutional (printed on a standard 1500 Form)
Prescription Drug (printed on an HMS Form)
Medicare Crossover (printed on an HMS Form)
We have used standard values (procedure codes, diagnosis codes, revenue codes, relationship codes, ICD-9/CPT-4 codes, etc.) in completing these forms.

Benefit determination should be based on the amount billed to the Medicaid agency by the performing provider. Commercial insurance claim approvers should calculate the net amount the plan would have paid on the submitted charges (taking into consideration scheduled amounts, coinsurance amounts, deductibles, etc.). ***The corrected reimbursement will be either (1) the amount the carrier would have paid, OR (2) the amount paid by Medicaid—whichever is less. When processing payments, please ensure the check is issued to the correct payee:***

Iowa Department of Human Services (IDHS)

Iowa Medicaid Enterprise

P.O. Box 310278

Des Moines, IA 50331-0278

Under Iowa prompt-payment laws, payment of a clean claim shall include interest at the rate of ten percent per annum when an insurer or other entity fails to timely pay a claim. IA ST § 507B.4A (2006). Interest shall accrue commencing on the thirty-first day after receipt of all properly completed proof of loss forms. IA ST § 507A.1 (12) (2006).

For your reference, attached are explanations and instructions referencing certain portions of the three different forms used for Medicaid Reclamation Claims.

Finally, please note that all correspondence or remittance advice information should be sent directly to the aforementioned agency. Should you have any questions, please do not hesitate to contact us at 888-831-2715.

Thank you in advance for your cooperation.

Sincerely,

Third Party Liability Unit

Health Management Systems, Inc.

P.O. Box 165348

Irving, TX 75016

REQUEST FOR INFORMATION

MM/DD/YYYY

Provider Name
PO Box 1234567
Washington, DC 12345
Attn: Patient Accounts

Initial Request __ 2nd Request __ Final Request ___

Medicaid Organization: [Medicaid Client Name]

To Whom It May Concern:

HMS is under contract with the Medicaid organization named above to perform Third Party Liability (TPL) identification and recovery services.

Who We Are
HMS identifies claims paid by Medicaid or a Medicaid Managed Care Organization for recipients who are eligible for either commercial insurance coverage or Medicare benefits and then bills the claims to the appropriate payer so that the payer may reimburse the Medicaid organization directly.

Actions Requested
We respectfully request that you send us the following information about the Medicaid recipient identified below. HMS will forward this information to the primary payer so Medicaid may be reimbursed.

__ Medicaid records for treatment dates

__ Copy of itemized bill
__ Copy of UB-04
__ Other _____

Patient Information

Patient:	Patient Name
Date of Birth:	MM/DD/YYYY
SSN:	XXX-XX-1234
Treatment Dates:	MM/DD/YY – MM/DD/YY
Medicaid Billed Amount:	$2,000.00
Medicaid Paid Amount:	$1,000.00

Sincerely,

Rep Name	Claims Recovery Specialist	Queue
TEL #	FAX #	HHL #

***

Federal law requires an assignment of rights of payment for medical support and other medical care of a Medicaid client to the state (42 U.S.C. 1396a(a)(25)(H), 42 U.S.C. 1396k).

The Medicaid agency and HMS are both classified as covered entities under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Privacy Rule expressly permits a covered entity (such as a Provider of Service or an Insurance Carrier) to "disclose protected health information to another covered entity…for the payment activities of the entity that receives the information." (45 C.F.R. 164.506(c)(3)). Furthermore, the Privacy Rule expressly authorizes a covered entity to "allow a Business Associate to…receive Protected Health Information on the covered entities' behalf (45 C.F.R. 164.502 (e)(1)). Therefore, a Provider of Service or an Insurance Carrier may disclose Protected Health Information to HMS, or a Business Associate of the above named agency for the payment activities of that named agency.

P.O. Box 165348
Irving, TX 75016

MM/DD/YYYY

Carrier Billing Address
PO Box 1234567
Washington, DC 12345

Iowa Department of Human Services
Iowa Medicaid Enterprise (IME)
Revenue Collections

Re:	Medicaid Organization:	Medicaid Agency Name
	Address:	HMS – Client Lockbox address
	Patient:	Patient Name
	Insured:	Insured Name
	Group Number:	XXXXXXXX
	Policy Number:	XXXXXXXX
	Claim Number:	Print N/A if blank, else claim number
	Dates of Service:	MM/DD/YY – MM/DD/YY
	Patient Account Number:	A/L AR Sequence Number
	Medicaid Billed Amount:	$1000.00
	Medicaid Paid Amount:	$100.00

To Whom It May Concern:

HMS is under contract with the Medicaid organization named above to perform Third Party Liability (TPL) identification and recovery services through reclamation billing.

Who We Are
HMS identifies claims paid by Medicaid for recipients who are eligible for either commercial insurance coverage or Medicare benefits and then bills the claims to the appropriate payor so that the payor may reimburse the Medicaid organization directly.

Reason for Writing
HMS has identified your company as a primary health insurance payor for the Medicaid recipient named above. We recently submitted the claim referenced above to your company for processing and received a request for additional information.

Actions Requested of You

- Review the attached information
- Reprocess the claim
- Respond promptly to the Medicaid organization with payment

The Federal law (42 U.S.C. 1396a(a)(25)(A)) supporting our request can be found on the reverse side of this letter.

Thank you for your immediate attention in this matter.

Sincerely,

Rep Name Claims Recovery Specialist Queue
866-552-5116 TEL 972-123-4567 FAX HHL #

(Reverse Side)

Federal law requires Medicaid to take “all reasonable measures to ascertain the legal liability of third parties (including health insurers, group health plans, service benefit plans, and health maintenance organizations) to pay for care and services” that are available as part of the Medicaid program (42 U.S.C. 1396a(a)(25)(A)). Medicaid is obligated to require all other known resources to pay claims before Medicaid pays and must pursue recovery of payments when a liable third party is identified after the claim was paid. Medicaid is the payor of last resort. No coverage from a third party carrier was disclosed or identified at the time the claim in question was initially paid by Medicaid, when, in fact, other available coverage existed.

The Medicaid agency and HMS are both classified as covered entities under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Privacy Rule expressly permits a covered entity (such as a Provider of Service or an Insurance Carrier) to “disclose protected health information to another covered entity…for the payment activities of the entity that receives the information.” (45 C.F.R. 164.506(c)(3)). Furthermore, the Privacy Rule expressly authorizes a covered entity to “allow a Business Associate to…receive Protected Health Information on the covered entities’ behalf (45 C.F.R. 164.502 (e)(1)). Therefore, a Provider of Service or an Insurance Carrier may disclose Protected Health Information to HMS, or a Business Associate of the above named agency for the payment activities of that named agency.

hms
P.O. Box 165348
Irving, TX 75016

APPEAL

(Medical Records Attached)

MM/DD/YYYY

Carrier Billing Address
PO Box 1234567
Washington, DC 12345

Re: Medicaid Organization: Kentucky KDMS

Iowa Department of Human Services
Iowa Medicaid Enterprise (IME)
Revenue Collections

Address:	PO Box 1410, Frankfort, KY 40602
Patient:	Michael Collins
Insured:	James Collins
Group Number:	AAA123
Policy Number:	XXXXXXXX
Claim Number:	Print N/A if blank, else claim number
Dates of Service:	10/02/08 – 10/03/08
Patient Account Number:	333AA123456
Medicaid Billed Amount:	$300.00
Medicaid Paid Amount:	$250.00

To Whom It May Concern:

HMS is under contract with the Medicaid organization named above to perform Third Party Liability (TPL) identification and recovery services through reclamation billing.

Who We Are
HMS identifies claims paid by Medicaid for recipients who are eligible for either commercial insurance coverage or Medicare benefits and then bills the claims to the appropriate payer so that the payer may reimburse the Medicaid organization directly.

Reason for Writing
HMS has identified your company as a primary health insurance payer for the Medicaid recipient named above. We recently submitted the claim referenced above to your company for processing and received a denial based on No Authorization. The beneficiary seemingly did not inform the provider of the coverage available through your company at the time of treatment. Thus Medicaid was billed and paid this claim, as required by law. Due to these circumstances, a denial based on No Authorization is neither applicable nor appropriate.

Actions Requested of You

- Review the claim
- Retroauthorize the service
- Respond promptly to the Medicaid organization with payment or a valid denial

The Federal law (42 U.S.C. 1396a(a)(25)(A)) supporting our request can be found on the opposite side of this letter.

Thank you for your immediate attention in this matter.
Sincerely,

Rep Name Claims Recovery Specialist Queue
866-552-5116 TEL 972-123-4567 FAX HHL #

(Reverse Side)

Federal law requires Medicaid to take “all reasonable measures to ascertain the legal liability of third parties (including health insurers, group health plans, service benefit plans, and health maintenance organizations) to pay for care and services” that are available as part of the

Medicaid program (42 U.S.C. 1396a(a)(25)(A)). Medicaid is obligated to require all other known resources to pay claims before Medicaid pays and must pursue recovery of payments when a liable third party is identified after the claim was paid. Medicaid is the payer of last resort. No coverage from a third party carrier was disclosed or identified at the time the claim in question was initially paid by Medicaid, when, in fact, other available coverage existed.

The Medicaid agency and HMS are both classified as covered entities under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Privacy Rule expressly permits a covered entity (such as a Provider of Service or an Insurance Carrier) to "disclose protected health information to another covered entity…for the payment activities of the entity that receives the information." (45 C.F.R. 164.506(c)(3)). Furthermore, the Privacy Rule expressly authorizes a covered entity to "allow a Business Associate to…receive Protected Health Information on the covered entities' behalf (45 C.F.R. 164.502 (e)(1)). Therefore, a Provider of Service or an Insurance Carrier may disclose Protected Health Information to HMS, or a Business Associate of the above named agency for the payment activities of that named agency.

P.O. Box 165348
Irving, TX 75016

APPEAL

MM/DD/YYYY

Carrier Billing Address
PO Box 1234567
Washington, DC 12345

Re:		
	Medicaid Organization:	Kentucky KDMS
	Address:	PO Box 1410, Frankfort, KY 40602
	Patient:	Michelle Collins
	Insured:	James Collins
	Group Number:	AAA123
	Policy Number:	XXXXXXXX
	Claim Number:	Print N/A if blank, else claim number
	Dates of Service:	10/02/08 – 10/03/08
	Patient Account Number:	333AA123456
	Medicaid Billed Amount:	$300.00
	Medicaid Paid Amount:	$250.00

To Whom It May Concern:

HMS is under contract with the Medicaid organization named above to perform Third Party Liability (TPL) identification and recovery services through reclamation billing.

Who We Are
HMS identifies claims paid by Medicaid for recipients who are eligible for either commercial insurance coverage or Medicare benefits and then bills the claims to the appropriate payor so that the payor may reimburse the Medicaid organization directly.

Reason for Writing
We have identified your company as a primary health insurance payor for the Medicaid recipient named above. HMS recently submitted the claim referenced above to your company for processing and received a request for coordination of benefits (COB) regarding other insurance available to the recipient.

Actions Requested of You
- Determine whether the recipient has supplied a COB update within the given calendar year
- Review the claim
- Respond promptly to the Medicaid organization with payment or a valid denial

The Federal law (42 .U.S.C. 1396a(a)(25)(A)) supporting our request can be found on the reverse side of this letter.

Thank you for your immediate attention in this matter.

Sincerely,

Rep Name	Claims Recovery Specialist	Queue
866-552-5116 TEL	972-123-4567 FAX	HHL #

(Reverse Side)

Federal law requires Medicaid to take “all reasonable measures to ascertain the legal liability of third parties (including health insurers, group health plans, service benefit plans, and health maintenance organizations) to pay for care and services” that are available as part of the Medicaid program (42 U.S.C. 1396a(a)(25)(A)). Medicaid is obligated to require all other known resources to pay claims before Medicaid pays and must pursue recovery of payments when a liable third party is identified after the claim was paid. Medicaid is the payor of last resort. No coverage from a third party carrier was disclosed or identified at the time the claim in question was initially paid by Medicaid, when, in fact, other available coverage existed.

The Medicaid agency and HMS are both classified as covered entities under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Privacy Rule expressly permits a covered entity (such as a Provider of Service or an Insurance Carrier) to “disclose protected health information to another covered entity…for the payment activities of the entity that receives the information.” (45 C.F.R. 164.506(c)(3)). Furthermore, the Privacy Rule expressly authorizes a covered entity to “allow a Business Associate to…receive Protected Health Information on the covered entities’ behalf (45 C.F.R. 164.502 (e)(1)). Therefore, a Provider of Service or an Insurance Carrier may disclose Protected Health Information to HMS, or a Business Associate of the above named agency for the payment activities of that named agency.

Acronyms:

TPL – Third Party Liability

IME – Iowa Medicaid Enterprise

DHS – Department of Human Services

MMIS – Medicaid Management Information System

PBM – Pharmacy Benefit Managers